

event of their not being able to negotiate the projected loan in Europe, or elsewhere, to others than the said companies, or within thirty days after their return from Europe, of certificates of stock, or bonds of the State, to be issued for portions of the loan, amounting to three millions of dollars at the par sum of such certificates or bonds, to be paid for by the said companies respectively on delivery thereof, at the rate of one hundred and twenty dollars net for every hundred dollars of the bonds or certificates of stock; that sum (three millions of dollars) being the amount authorised to be subscribed on the part of the State to the capital stock of the said companies respectively. By which it will appear, that no loss can accrue to the State from any inability of the companies to pay the stipulated price, as no portion of the stock is to be delivered to either of them, before it is paid for; and, consequently, that they cannot become debtors to the State for one dollar of the amount—which contracts, copies whereof have heretofore been transmitted, were made under the impression that they would respectively be entitled to receive from the treasury out of the money so to be paid by them for the bonds or certificates contracted for, the whole amount authorised to be subscribed on the part of the State to the capital stock of each, if that sum should be found necessary to the completion of their respective works, in such proportions, not exceeding one million of dollars a year, as their necessities may require; and that neither of the other companies mentioned in the law would be entitled to claim or receive any portion of it, on account of the sums subscribed on the part of the State to the capital stock of said other companies.

That to prevent a suspension of operations, which it was thought could only be attended with ruinous results to every interest concerned, and to encourage and enable the Baltimore and Ohio Rail Road and the Chesapeake and Ohio Canal Companies to proceed with activity in the prosecution and completion of their respective works, in the full confidence that they would have the intended benefit of the law authorising the loan, in the event either of success or failure of efforts to negotiate it elsewhere or with others, (which the undersigned deemed it their duty, and determined to make, at the heavy cost of going to Europe for that purpose,) were, (with the fact, that when completed, or from the expiration of three years after the payment to the companies respectively, of each instalment on the stock, even if they should be obliged to sell it at a premium less than that contracted to be given, an interest of six per cent. on the investment is secured to the State as a preferred stockholder by the provisions of the law, whatever may be the amount of the profits earned, whereby it is protected from loss) among the considerations, that induced them to enter into the contracts already stated with those companies.

That having as they believed, thus secured the speedy completion of those important works, in a manner best suited in their judgment, under the then existing circumstances, to promote the interests of the State, and of all concerned, it was arranged between them, that one should, with all convenient despatch, proceed to Europe in execution